

Chesterfield



A MONTHLY UPDATE ON LOCAL
ECONOMIC CONDITIONS

snapshot

JULY 2009

OFFICE OF BUDGET & MANAGEMENT

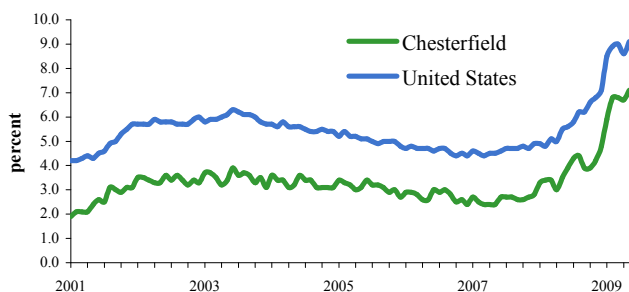
Monthly Summary

The local economy's search for the bottom appears to be ongoing after another month of weak readings. Consumer spending softened further in May with new car registrations nearly 40 percent below their year-ago mark. In addition, local sales tax receipts continued to taper off and are now 5.2 percent below their fiscal year-to-date total from last year. Furthermore, local housing market activity remained sluggish with single-family permit levels (the three-month moving average) down 49.7 percent from a year earlier and 63.2 percent from 2007. The lack of consumer confidence continued to stem from pronounced weakness in the local labor market. Chesterfield's jobless rate climbed to 7.1 percent in May, more than double the county's year-ago mark.

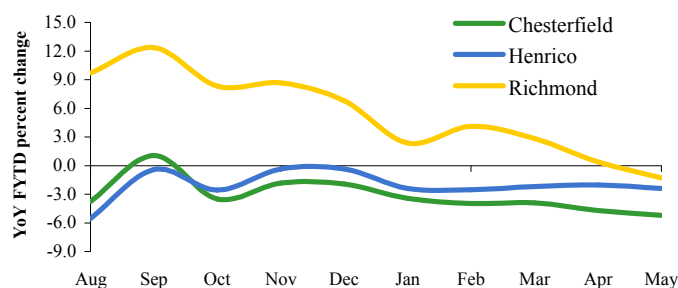
Spotlight on... *temporary employment*

Correctly identifying the onset of an economic recovery is as much art as it is science. Nonetheless, there are a number of indicators that can provide some early clues to when the economy might be finding some footing. One of those signals is demand for temporary employment. As recessions draw to a close and production begins to ramp up, firms need to increase staffing. However, firms can be hesitant to commit to adding traditional, full-time staff and instead will often opt to use temporary employees. That said the American Staffing Association (ASA) publishes a weekly index of the demand for temporary employment. Unfortunately, the ASA's index has been bouncing around the low 70s (its indexed at 100) since the beginning of the year, roughly 30 points below its year-ago average.

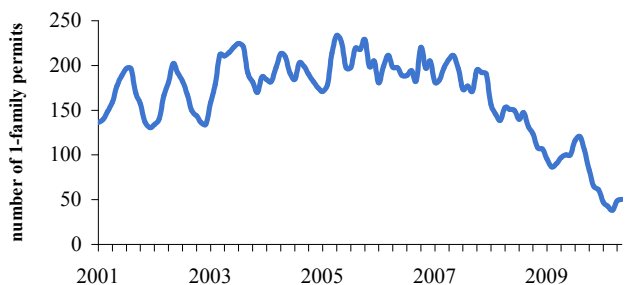
Unemployment Rate (%)



Sales Tax Receipts (fiscal year to date)



Single-Family Permits (3-month moving average)



Car Registrations (Total)

